

Memorandum

To : ALL STATE AGENCIES, BOARDS,
COMMISSIONS, AND DEPARTMENTS

Date: May 3, 2000

From : **State Controller's Office**
Walter Barnes
Chief Deputy State Controller, Finance

Subject: 1999-00 FISCAL YEAR-END PROCEDURES

Annually, the State Controller's Office (SCO) notifies all state agencies of pertinent dates for the year-end process in order to facilitate the closing of the fiscal year. This memo establishes the fiscal year-end deadlines for 1999-00.

In prior years these notices were only sent by mail to all state agencies. This year, however, we will also publish this notification on the SCO Web site under the category "State/Local Government," sub-category "Accounting Instructions."

Next year our 2000-01 memo will only be published on the SCO Web site. If you do not have access to the Internet and would like to continue receiving a paper copy of the memo, please contact Gina Kwong-McGee in the Division of Accounting and Reporting at (916) 324-8365.

In accordance with Government Code sections 12460-61, the State Controller shall submit an annual report to the Governor containing a statement of the State's funds, its revenues, and the public expenditures during the preceding fiscal year. To accomplish this goal, it is necessary to establish deadlines to facilitate the year-end closing of the 1999-00 fiscal year as provided in State Administrative Manual section 7950.

ALL DOCUMENTS THAT ARE REQUIRED TO BE PROCESSED BY JUNE 30, 2000, MUST BE RECEIVED BY THE SCO NO LATER THAN JUNE 16, 2000.

Pursuant to section 16304.1 of the Government Code, all appropriations with period of availability expiring June 30, 2000, will be reverted as of that date. To facilitate the closing of these accounts, please adhere to the following procedures:

Clearing Accounts

Clearing accounts for all reverting appropriations (1997-98) must have a zero balance prior to June 30, 2000. Please process your Plan of Financial Adjustment requests by **June 16, 2000**, to cost allocate all charges in the clearing accounts.

All payments for the month of June 2000 must be charged directly to the program or category level of the appropriation. Abatements must be credited directly to the appropriation program or category and *NOT* to the clearing accounts.

Reverting Appropriations

Please submit all claims against reverting appropriations as soon as possible. Although claims will be accepted until June 30, 2000, claims received after the deadline, **June 16, 2000**, may be processed for payment in July 2000.

Federal Trust Fund - Cash in Reverting Appropriations

Cash remaining in a reverting Federal Trust Fund appropriation must be returned to the original grant account. Your letter transferring the federal cash must be received by the SCO no later than **June 16, 2000**.

June Expenditures

In accordance with State Administrative Manual section 7900, agencies are required to reconcile their accounts with the accounts maintained by the SCO.

In order to prevent a delay in releasing payment for your agency's June expenditures, please refer to the April 2000 Agency Reconciliation Report to review your appropriation balances. Determine whether sufficient authority will be available to cover June payroll and other expenditures that must be paid before June 30, 2000. If it appears the balance in your support appropriation will not be sufficient, it is your responsibility to take the necessary action to ensure expenditures can be processed. The SCO must be notified by **June 16, 2000**, as to what action has been taken and what documents will be required to process these expenditures.

For additional information, please call Lee Ramirez in the Division of Accounting and Reporting at (916) 324-4582.

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